

SENATE BILL 518

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2001 Regular Session
11r2253
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By: **Senator Blount**
Introduced and read first time: February 2, 2001
Assigned to: Economic and Environmental Affairs

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 14, 2001

CHAPTER _____

1 AN ACT concerning

2 **Election Law - Political Action Committees - Contributions**

3 FOR the purpose of ~~authorizing a political action committee sponsored by or affiliated~~
4 ~~with another entity or group to collect contributions paid voluntarily by~~
5 ~~members when the member makes payment for membership dues or makes~~
6 ~~payment for contributions to a political action committee established under~~
7 ~~federal law; authorizing a political action committee that is sponsored by or~~
8 ~~affiliated with an entity or group of an affiliated entity to collect contributions~~
9 that are paid voluntarily by its members by means of payroll deductions,
10 together with the payroll withholdings from the ~~employee~~ employees that are
11 made for the payment of dues by the members to the affiliated entity ~~or group~~;
12 under certain circumstances; authorizing a political action committee to have
13 the combined voluntary contributions by members of an affiliated entity
14 collected by the affiliated entity in conjunction with the receipt of membership
15 dues or the voluntary contributions made to a political action committee
16 established under federal law under certain circumstances; requiring certain
17 political action committees, affiliated entities, and employers to keep certain
18 records relating to certain contributions that are made by payroll deduction to
19 political action committees under certain circumstances; prohibiting certain
20 practices concerning solicitations for contributions to political action
21 committees; and generally relating to certain contributions to political action
22 committees.

23 BY repealing and reenacting, with amendments,
24 Article 33 - Election Code
25 Section 13-210 and 13-211
26 Annotated Code of Maryland

1 (1997 Replacement Volume and 2000 Supplement)

2 BY adding to

3 Article 33 - Election Code

4 Section 13-211.1

5 Annotated Code of Maryland

6 (1997 Replacement Volume and 2000 Supplement)

7 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
8 MARYLAND, That the Laws of Maryland read as follows:

9 **Article 33 - Election Code**

10 13-210.

11 (a) Except as provided in [§ 13-211] §§ 13-211 AND 13-211.1 of this subtitle and
12 subsection (b) of this section, no person other than a candidate shall, to aid or promote
13 the success or defeat of any political party or principle or of any proposition submitted
14 to vote at any public election, or of any candidate for nomination for, or election to
15 public or party office, make a payment or contribution of money or property or incur
16 any liability or promise any valuable thing to any person other than to the treasurer
17 or subtreasurer of a candidate or [treasurer of a] political committee, INCLUDING A
18 POLITICAL ACTION COMMITTEE, in their official capacity.

19 (b) (1) A contribution may be made directly to a candidate provided the
20 candidate shall report the contribution to the candidate's treasurer.

21 (2) Nothing contained in this subtitle shall limit or affect the right of any
22 person to volunteer the time or personal vehicle of the person for transportation
23 incident to any election or to expend money for proper legal expenses in maintaining
24 or contesting the results of any election.

25 13-211.

26 (a) (1) [An] WHEN EMPLOYEE CONTRIBUTIONS ARE MADE FOR A
27 CANDIDATE OR POLITICAL COMMITTEE, INCLUDING A POLITICAL ACTION
28 COMMITTEE AFFILIATED WITH THE EMPLOYER, THE employer may accumulate in a
29 separate, segregated account the combined, voluntary, and periodic contributions of
30 employees made by payroll deduction.

31 (2) WHEN EMPLOYEE CONTRIBUTIONS ARE MADE FOR A POLITICAL
32 ACTION COMMITTEE AFFILIATED WITH AN ENTITY IN WHICH THE EMPLOYEE IS A
33 MEMBER AND FOR WHICH THE EMPLOYER WITHHOLDS BY MEANS OF PAYROLL
34 DEDUCTIONS PERIODIC PAYMENTS OF DUES BY THE EMPLOYEES TO THE
35 AFFILIATED ENTITY, THE EMPLOYER MAY ALSO COLLECT FROM THE EMPLOYEE, IN
36 CONJUNCTION WITH THE PAYROLL DEDUCTION OF DUES, THE COMBINED,
37 VOLUNTARY, AND PERIODIC CONTRIBUTIONS OF EMPLOYEES MADE BY PAYROLL
38 DEDUCTION.

1 (b) (1) An employer shall keep and maintain detailed, full, and accurate
2 records of all payroll deductions made under subsection [(a)] (A)(1) of this section,
3 including:

4 [(1)] (I) The names of the individual contributors;

5 [(2)] (II) The day on which each contribution is withheld;

6 [(3)] (III) The amount of each contribution withheld from an employee's
7 paycheck; and

8 [(4)] (IV) The disposition of the amounts withheld.

9 (2) A POLITICAL ACTION COMMITTEE, IN CONJUNCTION WITH THE
10 AFFILIATED ENTITY AND THE EMPLOYER, SHALL KEEP AND MAINTAIN DETAILED,
11 FULL, AND ACCURATE RECORDS OF ALL PAYROLL DEDUCTIONS MADE UNDER
12 SUBSECTION (A)(2) OF THIS SECTION, INCLUDING:

13 (I) THE NAMES OF THE INDIVIDUAL CONTRIBUTORS;

14 (II) THE DAY ON WHICH THE PAYROLL DEDUCTION WAS MADE;

15 (III) THE AMOUNT OF EACH DEDUCTION THAT ~~CONSTITUTES~~
16 INCLUDES THE CONTRIBUTION TO THE POLITICAL ACTION COMMITTEE;

17 (IV) THE DAY ON WHICH THE COMBINED, VOLUNTARY, AND
18 PERIODIC CONTRIBUTIONS WITHHELD BY THE EMPLOYER WERE RECEIVED BY THE
19 AFFILIATED ENTITY OR THE POLITICAL ACTION COMMITTEE, OR BOTH;

20 (V) THE AMOUNT OF EACH CONTRIBUTION WITHHELD FROM AN
21 EMPLOYEE MEMBER'S PAYROLL CHECK; AND

22 (VI) THE DISPOSITION OF THE AMOUNTS WITHHELD.

23 (c) (1) An employer may not accumulate the contributions withheld in
24 accordance with [this] subsection (A)(1) OF THIS SECTION for more than 3 months
25 before the employer shall transfer the accumulated contributions to a treasurer or
26 subtreasurer, in their official capacity, of a candidate or a political committee,
27 INCLUDING A POLITICAL ACTION COMMITTEE AFFILIATED WITH THE EMPLOYER,
28 together with the information recorded in accordance with the provisions of
29 subsection [(b)] (B)(2) of this section.

30 (2) (I) AN EMPLOYER MAY NOT ACCUMULATE THE CONTRIBUTIONS
31 WITHHELD IN ACCORDANCE WITH SUBSECTION (A)(2) OF THIS SECTION FOR MORE
32 THAN 3 MONTHS BEFORE THE EMPLOYER SHALL TRANSFER THE ACCUMULATED
33 CONTRIBUTIONS TO EITHER THE TREASURER OR THE SUBTREASURER, IN THEIR
34 OFFICIAL CAPACITY, OF THE POLITICAL ACTION COMMITTEE, OR TO THE AFFILIATED
35 ENTITY, TOGETHER WITH:

1 1. THE INFORMATION RECORDED IN ACCORDANCE WITH
2 THE PROVISIONS OF SUBSECTION (B)(2)(I) AND (II) OF THIS SECTION; AND

3 2. AT THE EMPLOYER'S DISCRETION, THE INFORMATION
4 RECORDED IN ACCORDANCE WITH THE PROVISIONS OF SUBSECTION (B)(2)(III)
5 THROUGH (V) OF THIS SECTION.

6 (II) AN AFFILIATED ENTITY THAT RECEIVES THE ACCUMULATED
7 CONTRIBUTIONS OF EMPLOYEES FROM AN EMPLOYER UNDER THIS SUBSECTION
8 MAY NOT HOLD THE CONTRIBUTIONS FOR MORE THAN 30 DAYS BEFORE THE
9 AFFILIATED ENTITY TRANSFERS THE ACCUMULATED CONTRIBUTIONS TO THE
10 TREASURER OR SUBTREASURER OF THE POLITICAL ACTION COMMITTEE, TOGETHER
11 WITH:

12 1. THE INFORMATION RECORDED BY AND RECEIVED FROM
13 THE EMPLOYER UNDER SUBSECTION (B)(2)(I) AND (II) OF THIS SECTION; AND

14 2. THE INFORMATION RECORDED IN ACCORDANCE WITH
15 THE PROVISIONS OF SUBSECTION (B)(2)(III) THROUGH (V) OF THIS SECTION.

16 (III) A POLITICAL ACTION COMMITTEE THAT RECEIVES
17 ACCUMULATED CONTRIBUTIONS THAT WERE MADE UNDER SUBSECTION (A)(2) OF
18 THIS SECTION SHALL KEEP AND MAINTAIN DETAILED, FULL, AND ACCURATE
19 RECORDS OF THE INFORMATION RECEIVED FROM THE EMPLOYER OR ITS
20 AFFILIATED ENTITY, OR BOTH, TOGETHER WITH THE INFORMATION RECORDED BY
21 THE POLITICAL ACTION COMMITTEE IN ACCORDANCE WITH THE PROVISIONS OF
22 SUBSECTION (B)(2) OF THIS SECTION.

23 (d) In soliciting an employee for any contribution by means of a payroll
24 deduction, an employer OR A POLITICAL COMMITTEE, INCLUDING A POLITICAL
25 ACTION COMMITTEE, shall inform the employee:

26 (1) Of the political purposes of the account OR POLITICAL ACTION
27 COMMITTEE; and

28 (2) Of the employee's right to refuse to contribute to the account OR
29 POLITICAL ACTION COMMITTEE without reprisal.

30 (e) For purposes of a payroll deduction for any contribution, an employer may
31 not receive, accumulate, transfer, or utilize money or anything of value secured by:

32 (1) Physical force;

33 (2) Job discrimination;

34 (3) Financial reprisals;

35 (4) The threat of force, job discrimination, or financial reprisal;

36 (5) Money obtained in any commercial transaction; or

1 (6) Dues, fees, or other money required as a condition of:

2 (i) Membership in a labor organization; or

3 (ii) Employment.

4 13-211.1.

5 (A) A POLITICAL ACTION COMMITTEE MAY HAVE THE COMBINED VOLUNTARY
6 CONTRIBUTIONS BY MEMBERS OF AN AFFILIATED ENTITY ~~OR GROUP~~ COLLECTED
7 AND ACCUMULATED BY THE AFFILIATED ENTITY ~~OR GROUP~~ IN CONJUNCTION WITH:

8 (1) THE RECEIPT OF MEMBERSHIP DUES INVOICED AND COLLECTED BY
9 THE AFFILIATED ENTITY ~~OR GROUP~~ ON A PERIODIC BASIS; OR

10 (2) VOLUNTARY CONTRIBUTIONS MADE TO A POLITICAL ACTION
11 COMMITTEE ESTABLISHED PURSUANT TO FEDERAL LAW, IF THAT POLITICAL ACTION
12 COMMITTEE IS ALSO AFFILIATED WITH THE ENTITY ~~OR GROUP~~ COLLECTING AND
13 ACCUMULATING THE CONTRIBUTIONS.

14 (B) AN AFFILIATED ENTITY ~~OR GROUP~~ SHALL KEEP AND MAINTAIN
15 DETAILED, FULL, AND ACCURATE RECORDS OF ALL CONTRIBUTIONS MADE UNDER
16 SUBSECTION (A) OF THIS SECTION, INCLUDING:

17 (1) THE NAMES OF THE INDIVIDUAL CONTRIBUTORS;

18 (2) THE DAY ON WHICH EACH CONTRIBUTION WAS RECEIVED;

19 (3) THE AMOUNT OF EACH CONTRIBUTION RECEIVED; AND

20 (4) THE DISPOSITION OF THE AMOUNTS HELD.

21 (C) AN AFFILIATED ENTITY ~~OR GROUP~~ MAY NOT ACCUMULATE THE
22 CONTRIBUTIONS RECEIVED IN ACCORDANCE WITH THIS SECTION FOR MORE THAN
23 30 DAYS BEFORE THE AFFILIATED ENTITY ~~OR GROUP~~ SHALL TRANSFER THE
24 ACCUMULATED CONTRIBUTIONS TO A TREASURER OR SUBTREASURER, IN THEIR
25 OFFICIAL CAPACITY, OF THE POLITICAL ACTION COMMITTEE, TOGETHER WITH THE
26 INFORMATION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION.

27 (D) IN SOLICITING A MEMBER FOR A CONTRIBUTION BY MEANS OF A JOINT
28 INVOICE FOR MEMBERSHIP DUES, OR FOR CONTRIBUTIONS TO A POLITICAL ACTION
29 COMMITTEE ESTABLISHED UNDER FEDERAL LAW, AN AFFILIATED ENTITY ~~OR GROUP~~
30 SHALL INFORM THE MEMBER:

31 (1) OF THE POLITICAL PURPOSES OF THE POLITICAL ACTION
32 COMMITTEE; AND

33 (2) OF THE MEMBER'S RIGHT TO REFUSE TO CONTRIBUTE TO THE
34 ACCOUNT POLITICAL ACTION COMMITTEE WITHOUT REPRISAL.

1 (E) FOR PURPOSES OF ANY CONTRIBUTION AUTHORIZED UNDER THIS
2 SECTION, A POLITICAL ACTION COMMITTEE ~~AND~~ OR AN AFFILIATED ENTITY OR
3 GROUP MAY NOT RECEIVE, ACCUMULATE, TRANSFER, OR UTILIZE MONEY OR
4 ANYTHING OF VALUE SECURED BY:

5 (1) PHYSICAL FORCE;

6 (2) MEMBERSHIP DISCRIMINATION;

7 (3) FINANCIAL OR PROFESSIONAL REPRISALS;

8 (4) THE THREAT OF FORCE, MEMBERSHIP DISCRIMINATION, OR
9 FINANCIAL OR PROFESSIONAL REPRISALS; OR

10 (5) DUES, FEES, OR OTHER MONEY REQUIRED AS A CONDITION OF
11 MEMBERSHIP.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 July 1, 2001.